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10 January 1977

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with Congressman George Mahon

- 1. George Mahon came out to CIA this morning. I picked him up at 7:30 a.m., and he left the building at 9:15 a.m. We met in my office for breakfast, he attended the Morning Meeting, then took a walk through the building, including the Operations Center, the Library, and the main corridors on the first floor.
 - 2. The following subjects were discussed:
- a. An Open Budget: I expressed concern about making even the bottom line public; Mahon said there are pressures the other way, but he personally is opposed to making things public.
- b. Rule XI: I told him about the new House action on Rule XI; he expressed concern, wrote it down, and indicated that he would look into it.
- c. Independence of IC Staff: I discussed the question of IC Staff independence, and the fact that we have 16 military and 10 others. But the Director, as long as he wears two hats, needs access to the Office of General Counsel, the Office of Legislative Counsel, or any other offices in CIA or in any other element of the community. The Chairman was not clear on all these details; he asked for a "private paper" (I have asked George Cary to staff this out). I also discussed with him the need for the supplemental of \$4 million over the existing \$5.6 million. He again did not focus in on this in great detail, but I did not get the feeling that there would be any problem.
- d. Consolidated Oversight: I asked him if he thought there would be any consolidated oversight, and he indicated that he thinks it will be a long time in coming.

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- e. Legislation: I mentioned to him the need for better security legislation (citing the Moore case), the need for in camera proceedings, etc., and legislation to strengthen our counterintelligence capability and the Director's sources and methods prerogative.
- 3. We had a very good general discussion. Mahon is supportive of the CIA. There are certain pressures on him in the committee which I detected, although of course he was very discreet. I tried to assure him that the Agency is living within its guidelines, and that most of the stories that are printed give it a bad rap. We discussed, for example, the <u>Time</u> magazine story which said that we had not told the truth on the Glomar, then cited their retraction, and went on to say that the retraction was never printed in the papers. The meeting was most satisfactory from my point of view.

George Bush Divertor

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